

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, DC

ORDER NO. 11,254

IN THE MATTER OF:

Served April 2, 2008

Rulemaking to Amend Rules of) Case No. MP-2008-017
Practice and Procedure and)
Regulations: Regulation No. 58)

This rulemaking was announced in Order No. 11,077, served January 14, 2008, for the purpose of soliciting comments on proposed amendments to Commission Regulation No. 58, "Security for Protection of the Public".¹

As explained more fully in Order No. 11,077, the purpose of the amendments is to: (1) codify existing Commission interpretations of Regulation No. 58 and certain Commission practices implementing the regulation and interpretations; (2) adopt new miscellaneous provisions; and (3) establish rules for filing insurance forms electronically.²

Notice of this proceeding was published in the Washington Post on January 20, 2008, and the proposed amendments have been available to the public on the Commission's website since that date, as well. The public comment period established in Order No. 11,077 and announced in the Post ended March 15, 2008. No comments were received.

Accordingly, effective immediately, Regulation No. 58 is amended to read as follows.

58. Security for Protection of the Public.

58-01. Financial Responsibility Requirement. No carrier shall transport passengers for hire between points in the Metropolitan District unless and until the carrier has satisfied the financial responsibility requirements set forth in this regulation.

58-02. Minimum Insurance Coverage. A carrier shall obtain one or more insurance policies securing the public against loss resulting from the carrier's operation, maintenance, or use of a motor vehicle, in the minimum amount specified in this section. Coverage shall remain in effect continuously until terminated. In the case of vehicles insured in compliance with subsection (c), tiered or layered

¹ Available at <http://wmata.gov/pdf/rules-regs.pdf>.

² In re Rulemaking to Amend Rules of Practice and Procedure and Regulations: Regulation No. 58, No. MP-08-017, Order No. 11,077 at 1 (Jan. 14, 2008).

coverage shall be permitted, provided that not more than one policy may be obtained for any one tier or layer. The minimum amount of coverage, by type of vehicle, is as follows:

(a) Taxicabs:

A taxicab operator shall maintain the minimum insurance coverage required by the operator's licensing authority when engaged in interstate operations subject to this Commission's jurisdiction.

(b) Vehicles defined in Regulation No. 51-09:

An operator of a vehicle meeting the definition in Regulation No. 51-09 shall maintain the minimum insurance coverage required by the operator's licensing authority for that vehicle when engaged in interstate operations subject to this Commission's jurisdiction.

(c) Vehicles operated under WMATC authority:

- i. Carriers with operating authority unrestricted as to vehicle seating capacity shall maintain minimum insurance coverage of \$5,000,000, Combined Single Limit, (bodily injury, death, and property damage) per accident.
- ii. Carriers with operating authority restricted to vehicles seating 15 persons or less, including the driver, shall maintain minimum insurance coverage of \$1,500,000, Combined Single Limit, (bodily injury, death, and property damage), per accident.

58-03. WMATC Certificate of Insurance and Policy Endorsement. A carrier operating under temporary authority or a certificate of authority issued by the Commission (WMATC carrier) shall maintain on file with the Commission at all times an acceptable, effective "WMATC Certificate of Insurance and Policy Endorsement" (WMATC Insurance Endorsement).

58-04. Acceptable Endorsement. A WMATC Insurance Endorsement must be completed in its entirety. Incomplete Endorsements will not be accepted. A WMATC Endorsement must:

- (a) display the carrier name, and any trade name, on file with the Commission;
- (b) display a carrier address that matches an address for that carrier on file with the Commission;
- (c) be issued in accordance with state and local insurance laws by an insurer licensed or authorized to issue insurance policies in at least one of the fifty states or the District of Columbia;
- (d) be signed (manually or by stamp or machine) by a person designated for that purpose by an authorized representative

of the insurer in a written authorization on file with the Commission.

58-05. Fiduciaries. The terms "carrier" and "insured" as they appear in the WMATC Insurance Endorsement shall be understood to include any and all fiduciaries. Coverage of fiduciaries shall attach at the moment of succession.

58-06. Endorsement Filing. A WMATC Insurance Endorsement may be filed by any reasonable means - including by fax, email or other electronic means - provided the filing is legible. An electronic filing made under an Electronic Filing ID obtained from the Commission pursuant to Regulation No. 58-18 shall be deemed to meet the signature requirements of Regulation No. 58-04(d). In the case of electronic filing by means other than Electronic Filing ID, the original WMATC Insurance Endorsement shall be filed within fifteen (15) days of the electronic filing; otherwise, the electronic filing shall be revoked pursuant to Regulation No. 58-09.

58-07. Endorsement Commencement and Termination. Coverage under a WMATC Insurance Endorsement shall commence on the specified effective date and continue until the earliest of:

- (a) the specified expiration date;
- (b) the effective date specified in a notice of cancellation or thirty (30) days after the notice is received by the Commission, whichever is later;
- (c) thirty (30) days after receipt by the Commission of an acceptable application from the insured for voluntary termination of WMATC operating authority;
- (d) thirty (30) days after revocation by the Commission; or
- (e) the effective date of a later-executed replacement Endorsement.

Commencement and termination shall occur at 12:01 a.m. Eastern Standard Time or Eastern Daylight Time, as applicable.

58-08. Notice of Cancellation. A notice of cancellation must be in writing. The notice must identify the insured and state the number of the policy being cancelled. The notice must specify an effective date; provided, that cancellation shall not be effective sooner than thirty (30) days after the date notice is received by the Commission. A notice of cancellation may be filed by any reasonable means - including by fax, email or other electronic means - provided the filing is legible.

58-09. Right to Revoke. The Commission may, upon thirty days' notice, revoke its approval of any WMATC Insurance Endorsement if, in the judgment of the Commission, such security does not comply with the

Commission's regulations or for any reason fails to provide satisfactory or adequate protection for the public.

58-10. Replacement of Cancelled, Revoked, or Voluntarily Terminated Endorsement. Once the Commission revokes a WMATC Insurance Endorsement or receives notice of cancellation or an acceptable application for voluntary termination, a carrier must file the necessary replacement WMATC Insurance Endorsement(s) prior to the termination date. A WMATC Insurance Endorsement noted for cancellation, revocation or voluntary termination may not be restored or revived. It may only be replaced with a newly executed WMATC Endorsement.

58-11. Duty to Verify. When a WMATC carrier's insurance has terminated or is about to terminate the carrier must contact the Commission to ascertain whether the necessary WMATC Insurance Endorsement has been filed before continuing to operate on and after the termination date. Proof a WMATC carrier has satisfied its duty to verify shall consist of contemporaneous written verification from the Commission.

58-12. Automatic Suspension. Failure to replace a WMATC Insurance Endorsement prior to termination shall result in immediate, automatic suspension of a carrier's WMATC operating authority. The carrier must suspend operations immediately and may not recommence operations unless and until otherwise ordered by the Commission.

58-13. Lifting of Suspension. The Commission may lift a suspension imposed under Regulation No. 58-12 once the carrier has filed the necessary replacement Endorsement(s) and paid the late fee under Regulation No. 67-03(c).

58-14. Non-Continuous Coverage. If a carrier's operating authority is suspended under Regulation No. 58-12 and the effective date of a later-filed replacement Endorsement falls after the automatic suspension date, the carrier must verify timely cessation of operations in accordance with Commission Rule No. 28 and corroborate the verification with client statements and/or copies of pertinent business records, as directed by Commission order.

58-15. Reconsideration. If a carrier's authority is revoked for failure to comply with Regulation No. 58, or an order issued thereunder, an application for reconsideration under Article XIII, Section 4(a), of the Compact must be supported by the necessary Endorsement(s) and payment of late fee under Regulation No. 67-03(c).

58-16. Public Access. The contents of all WMATC Insurance Endorsements and notices of cancellation filed with the Commission shall be considered public information.

58-17. Other Forms of Security. The Commission will consider the application of a carrier to provide other forms of security for the protection of the public. Applicant must furnish evidence establishing to the satisfaction of the Commission the carrier's

ability to satisfy its obligations for bodily injury, death, and property damage liability without adversely affecting the stability of the carrier or the public interest. Proof of qualification for self-insurance of bodily injury and property damage liability under the Interstate Commerce Act, as determined by the Federal Motor Carrier Safety Administration, together with proof that such qualification remains in effect, shall be deemed prima facie evidence of qualification for self-insurance under the Compact.

58-18. Electronic Filing ID. An insurer may obtain an Electronic Filing ID, for the purpose of filing WMATC Insurance Endorsements and notices of cancellation, by completing and submitting the Commission's Electronic Filing ID application form. Each insurer assigned an ID shall be responsible for keeping its ID and password secure. If an insurer chooses to have its filings made by a third party, it may share the ID and password with that entity.

58-19. FMCSRs. The Federal Motor Carrier Safety Regulations adopted and incorporated by reference pursuant to Regulation No. 64 shall not include insurance requirements.

IT IS SO ORDERED.

BY DIRECTION OF THE COMMISSION; COMMISSIONERS YATES AND CHRISTIE:



William S. Morrow, Jr.
Executive Director